

		TANF 601-1
Department of Public Health and Human Services TANF CASH ASSISTANCE	Section:	ELIGIBILITY & BENEFIT DETERMINATION
	Subject:	Prospective Budgeting

Supersedes: TANF 601-1 (01/01/2004)

References: ARM 37.78.102, .402 and .420

- GENERAL RULE--Financial eligibility and benefit amount for a current or future month must be established using prospective budgeting. Best estimates of income, resources, household composition and other circumstances that will occur during the benefit month are used to prospectively determine eligibility.

All prospective budgeting methods can be used with earned and unearned income. However, some specific types of income and situations require certain methods to be applied. As examples, past and retroactive benefit months require use of actual income, and periodic income payments received less often than monthly must be prorated over the period intended to cover.

All non-financial requirements (TANF 300) must be evaluated prospectively for each benefit month.

GATHERING INFORMATION Information needed to prospect the individual's circumstances:

- 1. may be elicited during discussions with the applicant /recipient, or from contact with the employer/source of income:

- a. type of job/source of income;
- b. nature of job/source of income (e.g., seasonal, on call, sporadic, contingent on weather, etc.);
- c. rate of pay;
- d. how often paid;
- e. number of hours worked per week (if source is a job); and
- f. whether hours fluctuate (if source is a job).

- **NOTE:** Eligibility case managers should use investigative skills such as asking if a reported change is expected to continue and looking for a pattern of overtime pay. If changes are anticipated, alerts must be set on the system as reminders to check for changes and follow up at appropriate times.

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

2. must include information from the application form and/or reported changes about past, present and future circumstances.

3. must be reevaluated upon receipt of more complete information or change report up to the point of the final eligibility determination.

► If eligibility exists:

1. authorize benefits.

2. notify the recipient(s) using the appropriate system notices.

3. send the household HCS-260A, "TANF/Medicaid Change Report Form";

4. send the household the change reporting notice from the system; and

5. document in system case notes the justification for actions taken, including budgeting method used and verification received.

Change reporting and notice requirements must be followed when recalculating benefits; see TANF1501-1.

Information provided by the applicant/recipient must be verified with corroborative documents and/or statements from third parties (i.e., employers, SSA, landlords, relatives etc.). If requested, the worker must assist in gathering verification. Client statement is never sufficient documentation, unless specifically noted in other sections of this manual.

If changes are anticipated, alerts must be set on the ETAL screen as reminders to check for changes and follow up at the appropriate time.

► **PROSPECTING INCOME**

To prospect countable monthly income, use one or a combination of the following budgeting methods for income that is reasonably certain to be received (to be determined on a case-by-case basis in conjunction with the household):

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

- ▶ 1. **Actual** – used when determining eligibility for past months, retroactive periods, and when a pay date in the current benefit month occurred prior to the date of application.

NOTE: If all weekly/biweekly pay stubs are provided for application month, income must be factored even if an extra pay check wasn't received.

- ▶ 2. **Anticipating** - used when actual is not appropriate. Anticipating consists of several options:

- a. **Averaging**- used when there is a reliable history of income.

- b. **Prorating over period intended to cover**- used for contractual, self-employment or other income intended to cover a longer period of time.

- ▶ c. **Rate/Unit/Frequency**-used when none of the other methods are allowed or appropriate.

NOTE: A combination of actual and anticipated methods may be used for the same income source for the same month--for example, when one pay date has already been received and verified for the benefit month, but there is a second pay date still to come, actual will be used for the first pay date and an anticipating method would be used for the second pay date.

The method selected will depend on the income source and the household circumstances.

System case notes must clearly document which budgeting method was used to prospect each source of income, including the verification used (e.g., employer statement, pay stubs, self-employment tax documents, business records, etc.).

- ▶ Income must be factored for FMA, TANF and SNAP cases when received weekly or bi-weekly, but cannot be factored for ABD Medicaid. When a TEAMS case includes a combination of programs, factored income must be coded separately for FMA/TANF and SNAP and non-factored income coded for ABD Medicaid. For a specific example, see the end of this manual section.

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

FACTORING INCOME

All programs **except ABD Medicaid** require income factoring for all income received weekly or biweekly (every two weeks). If there is a reliable history of income and it is expected to continue, average and then factor.

NOTE: Child support income and legally-obligated child support payments/deductions can only be factored if truly received/paid on a weekly or biweekly basis.

If weekly or biweekly pay checks are provided for month of application, the checks must be averaged and factored even if the applicant did not receive a 3rd or 5th check in the month of application.

1. To factor **weekly** income, the weekly income amount (actual or average) will be multiplied by **4.3** to determine a monthly amount; or
2. To factor **biweekly** income, the biweekly income amount will be multiplied by **2.15** to determine a monthly amount.

EXAMPLE: Ginny works 40 hours per week at \$6.50 per hour and is paid **weekly**. Ginny's monthly income is determined using $40 \text{ hrs} \times \$6.50 = \260×4.3 ; \$1,118 is her monthly factored income.

EXAMPLE: Grace works full time and earns \$7.00 per hour. She is paid **biweekly** (every other Wednesday). She receives \$560 gross income in each paycheck. Grace's monthly income is determined by using $\$560 \times 2.15$; \$1,204 is her monthly factored income.

ACTUAL INCOME

Actual income can only be used when:

1. computing an overpayment;
2. determining past or retroactive Medicaid eligibility; or
3. some or all pay in the current benefit month has already been received.

► AVERAGING INCOME METHOD

When there is a reliable history of receipt of income from an income source and the amount of income fluctuates from month to month (or pay period to pay period), past income amounts may be averaged to anticipate future income. Such

Section: ELIGIBILITY & BENEFIT DETERMINATION	TANF 601-1 Subject: Prospective Budgeting
--	--

income could include: wages, tips, irregular child support amounts, or irregular pension amounts. (Quarterly bonuses must be anticipated.) Be sure to ask the applicant/recipient if the average is expected to continue and document in system case notes. When averaging, look for patterns of income fluctuations, such as overtime. In some cases, it may be necessary to average regular wages and overtime pay separately.

1. The eligibility case manager and the applicant/recipient must agree upon:
 - a. a representative period of time;
 - b. the number of pay periods to be used; and
 - c. the pay dates.

Payments which are agreed to be unusually high or low should be disregarded unless the trend is anticipated to continue into the prospective period.

Client statement is never sufficient documentation, unless specifically noted in other sections of this manual.

CAUTION: When requesting check stubs for averaging, be sure to request all check stubs received through the date verification is provided to the OPA. Request check stubs from a specific date to “present.”

2. Divide the total income received during the representative period by the number of pay dates in the period to determine an average amount per pay date if rate of pay is the same and will continue.
3. Multiply the average pay date amount by the number of pay dates in the benefit month to arrive at the anticipated income for that benefit month.

► **NOTE:** Do not average income when significant income changes are expected in the prospective period. Instead, use the rate/unit/frequency option.

4. Document in system case notes the method used, plus:
 - a. the agreed upon representative period of time, and

Section: ELIGIBILITY & BENEFIT DETERMINATION	TANF 601-1 Subject: Prospective Budgeting
--	--

- b. the information used to calculate the average pay period amount (gross pay received pay date #1 + gross pay received pay date #2, etc. divided by the number of pay dates used).

NOTE: If certain paychecks were excluded in the averaging process, system case notes must clearly explain justification.

► **NOTE:** If income is received weekly or bi-weekly, the average amount may also need to be factored.

► **PRORATING OVER PERIOD INTENDED TO COVER** Prorating over the period intended to cover is applied to contractual, self-employment, or other income expected to cover a period longer than one month, or received regularly, but less often than monthly. Prorating over the period intended to cover involves dividing a total yearly income by the number of months the applicant/recipient states the income is intended to cover (for self-employment), or dividing a regular periodic payment by the number of months until the next payment is received (income other than self-employment):

- Divide a payment received bi-monthly (every second month) by two.
- Divide a payment received quarterly (four times a year) by three (there are three months in a quarter).
- Divide a payment received semi-annually (twice a year) by six.
- Divide a payment received annually (once a year) by 12 (this is also referred to as "annualizing").

► **NOTE:** Periodic payments are not counted as income until the first payment is received after the initial application for TANF (see TANF 500, page 2).

► Self-Employment income is always prorated over the period intended to cover. Contractual income is always divided by the period of the contract (for example, the total of a nine-month contract is divided by nine).

NOTE: If significant income changes are expected in any payments received during the review period, the amount to be prorated may change, but the changed payment amount must be prorated over the period

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

intended to cover. For changes in self-employment income, see TANF 503-1.

► Document system case notes stating the method used, and:

1. The type of income (e.g., contractual, self-employment, share of corporate income, etc.);
2. The income amount used,
3. How the amount was determined (history of prior payments, tax return, business records, statement from payment source, etc.); and
4. The period (number of months) over which the income is prorated.

**► RATE/UNIT/
FREQUENCY
METHOD**

Anticipating based on rate/unit/frequency is used when none of the other methods are allowed or appropriate, such as when:

1. any pay period's income is expected to be different than 'usual' because the individual will not be working or getting paid a typical amount for pay period (e.g., new employment, unpaid extended sick leave, unpaid vacation, receipt of a bonus), or the individual expects unusually high or low work hours (not normal fluctuation) during a specific pay period;
2. income is from a terminated source (e.g., lay-off or job termination);
3. income history is not reliable;
4. a significant income change is expected in the future (e.g., a promotion, part-time to full-time or vice versa, additional job duties, a raise in pay, a transfer, etc.).

NOTE: When an expected income change is reported but more detailed information is needed, schedule a review, complete a desk audit, or set a system alert for the time the change is expected. When determining the due date for the alert, allow time for processing and any adverse action notice.

Section: ELIGIBILITY & BENEFIT DETERMINATION	TANF 601-1 Subject: Prospective Budgeting
--	--

To anticipate income based on rate/unit/frequency:

1. determine **rate** of pay;
2. determine the **unit** for rate of pay (normally, people are paid by the hour, with “hour” being the unit, but some people are paid for each finished product, per day, per week, or per month);
3. determine how often the person is paid (**frequency**);
4. for employment, determine the number of **units** per **frequency** [for example, number of hours (units) worked in a two-week pay period (frequency)] using the table at the end of this section.
5. multiply the **rate** times the number of **units** in the **frequency**. This results in the anticipated amount of income per pay period.
6. multiply the anticipated amount of income per pay period by the number of pay dates expected in the benefit month to determine the total amount of income anticipated for the benefit month.

Document in system case notes stating the method used, including the information used to calculate the anticipated pay date amount(s) (rate, number of units per pay period, and frequency of pay dates).

Section: ELIGIBILITY & BENEFIT
DETERMINATION

Subject: Prospective Budgeting

→ # days/week worked * →	1	2	3	4	5	6	7
↓ Average # of days per pay period (frequency) when pay is received:							
MONTHLY – Use only when paid once each month	4	9	13	17	22	26	# of days in specific month
SEMI-MONTHLY – Use only when paid twice each month on set dates within the month, such as the 1 st and 16 th , (but <u>not</u> if paid on set day of the week, such as paid every other Tuesday)	2	4.5	6.6	8.5	11	13	15
BI-WEEKLY – Use only when paid every other week on a set day of the week, such as when paid every other Friday	2	4	6	8	10	12	14
WEEKLY – Use only when paid every week on a set day of the week, such as when paid each Wednesday	1	2	3	4	5	6	7

* **# days/week worked:** This is the number of days in a calendar week that a person works, regardless of the pay schedule.

- Multiply average number of days per pay period from table above by average number of hours worked per day to determine the number of units per frequency (if pay is by the hour).
- Then multiply this figure by rate of pay to determine income per pay period.
- Multiply the income per pay period by the number of paydays in the month to determine the monthly income.

NOTE: When Medicaid programs are determined on CHIMES, the income may be entered on CHIMES first. CHIMES will factor income when appropriate, and will also anticipate third bi-weekly paychecks appropriately. **The countable income determined by CHIMES may then be used as a basis for entry of the SNAP and TANF income in TEAMS and the income may be entered using the 'WA' code EAIN.** The case worker will use the factored income from the FMA budget in CHIMES as the appropriate income entry in TEAMS.

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

See examples beginning on page 11!

INCOME NOT COUNTED

There will be instances when income is not counted prospectively.

Example: A recipient household has no earned income. The household timely reports on a change report form on July 2 that a household member will start a job on July 5 with the first paycheck received on July 20. July's earned income will never be counted. The household reported the income timely. July's income was not known when July's eligibility was determined in June, and therefore could not be anticipated. August benefits will be determined by prospecting earned income using the rate/unit/frequency method based on the information provided in an employer statement or, if appropriate, the change report.

► FLUCTUATION IN PAY SCHEDULE

Occasionally, a scheduled pay date is moved forward or delayed due to a holiday, an employer's personal schedule, because the pay date falls on a weekend, or some other unusual event. When this happens, the pay is treated as if it were (or will be) received on the normally scheduled pay date for both actual and anticipated income.

EXAMPLE:

The household is paid semi-monthly on the 1st and 15th of the month. October 1st falls on a Saturday, and the household is paid on Friday, September 30th. The income is considered income for October.

If an employee does not receive their pay on a regularly scheduled pay date due to failure to turn in a time sheet when due, the pay is still counted as if received on the regularly scheduled pay date. For example, if the time sheet is late and the regular pay is added into the next regularly scheduled pay, the amount attributable to the earlier pay date would be treated as if received timely.

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

EXAMPLES #1 - Actual

Dolores applies for TANF on September 25. She works at the hospital and is paid on the 1st and 16th of each month. She provides copies of her 9/1 and 9/16 pay stubs. These actual pay amounts are used to determine her September eligibility.

#2 - Averaging Semi-Monthly Income

Joe has been working for the same employer for two years. His hours fluctuate from week to week. According to Joe, he always works at least 20 hours and never more than 35 hours per week. Joe's pay dates are the 1st and the 15th of each month. He is paid \$9 per hour. Joe provides pay stubs for the last two months (February and March). He says he expects the next three months (April, May, and June) will be very similar to the past two months in terms of the number of hours he will work.

Average the four pay stubs provided to arrive at an amount per pay period. Joe has agreed the paychecks are a best estimate for the prospective period.

Feb. 1st pay	49 hours	\$ 441
Feb. 15th pay	42 hours	\$ 378
Mar. 1st pay	47 hours	\$ 423
Mar. 15th pay	<u>55 hours</u>	<u>\$ 495</u>

193 hours \$1737

$\$1737 \div 4 = \434.25 -- the average amount per pay period.

Multiply the average amount per pay period by the number of pay dates in a month to arrive at the anticipated monthly income:
 $\$434.25 \times 2 = \868.50

#3 - Averaging Bi-weekly Income

Sara has been working for the same employer for four months. Her hours fluctuate from week to week. She says she always works at least 10 hours and never more than 20 hours per week. Sara is paid on alternate Mondays. She is paid \$10 per hour. Sara provides her six most recent pay stubs (part of June, all of July and August). She says she expects future pay will be very similar to these past pay periods in terms of the number of hours worked, except that the pay

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

period for June 30 reflected extra high wages because she pulled double shifts for a sick coworker.

The June 30 check must be eliminated from the average because it was unusually high. Average the pay stubs provided to arrive at an amount per pay period, excluding any unusually high or low paychecks. Sara has agreed the paychecks are a best estimate for the prospective period.

June 16 pay	21 hours	\$ 210	
June 30 pay	60 hours	\$ 600	(unusually high)
July 14 pay	31 hours	\$ 310	
July 28 pay	38 hours	\$ 380	
August 11 pay	27 hours	\$ 270	
August 25 pay	<u>29 hours</u>	<u>\$ 290</u>	
	146 hours	\$1460	

$\$1460 \div 5 = \292.00 -- the average amount per pay period.

Multiply the average amount per pay period by 2.15 (income must be factored as Sara is paid biweekly) which would result in a monthly amount of \$623.50 in this example.

#4 - Rate/Unit/Frequency, Pay Raise

If Joe, from Example #2, reported that he expected an increase in hourly wage, the best estimate would be to multiply the average hours by the new rate of pay.

	96.5 hrs. per month (average per previous example)
÷	<u>2 pay periods per mo.</u>
=	48.25 hours per pay period – units per frequency
X	<u>\$9.75 per hour – rate per unit</u>
=	\$470.44 per pay period
X	<u>2</u>
=	\$940.88 per month

#5 - Rate/Unit/Frequency – New Job, Weekly Pay

Gina, an on-going recipient, reports on May 15 that she will begin working on May 20. She expects to work 21 hours per week and will be paid \$10 per hour. She will be paid weekly on Thursdays. The “unit” of pay is an hour. The “rate” is \$10. The frequency is weekly.

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

$$\begin{array}{rcl}
 & 21 \text{ hours (units) per week (frequency)} & \\
 \times & \$10 \text{ (rate) per hour (unit)} & \\
 \hline
 = & \$210 \text{ per weekly pay period} &
 \end{array}$$

As Gina is paid weekly, her income must be factored. \$210 weekly amount is multiplied by 4.3 for a month amount of \$903.00. (CHIMES will factor automatically, when required by policy.)

#6 - Rate/Unit/Frequency – New Job, Semi-Monthly Pay

Jimmy Ray is a new applicant. He just started a new job. This new job pays \$12 per hour and pay is received on the 5th and 20th of each month (semi-monthly). Jimmy Ray's employer reports that he will work four days per week, about 20 hours each week (an average of 5 hours per day).

Anticipate Jimmy Ray's earnings using the table on Page 8. Jimmy Ray works 4 days per week, thus, we move down the column indicating 4 days per week worked. We then move across the table along the row that indicates the pay frequency of semi-monthly. The cell where the column and row meet shows 8.5.

→ # days/week worked * →	1	2	3	4	5	6	7
↓ Average # of days per pay period (frequency) when pay is received:							
MONTHLY – Use only when paid once each month	4	9	13	17	22	26	# of days in specific month
SEMI-MONTHLY – Use only when paid twice each month on set dates within the month, such as the 1 st and 16 th , (but not if paid on set day of the week, such as paid every other Tuesday)	2	4.5	6.6	8.5	11	13	15
BI-WEEKLY – Use only when paid every other week on a set day of the week, such as when paid every other Friday	2	4	6	8	10	12	14
WEEKLY – Use only when paid every week on a set day of the week, such as when paid each Wednesday	1	2	3	4	5	6	7

In order to calculate Jimmy Ray's anticipated earnings, we will multiply 8.5 (work days in an average semi-monthly pay period) by

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

the average number of hours he works per day (5), which results in the average number of units per frequency:

$$\begin{array}{r}
 8.5 \text{ (factor from table)} \\
 \times \quad 5 \text{ hours per day} \\
 \hline
 = \quad 42.5 \text{ hours}
 \end{array}$$

We then multiply units per frequency (42.5 hours) by the rate, which in this case is \$12 per hour, resulting in the average pay per pay period:

$$\begin{array}{r}
 42.5 \text{ hours} \\
 \times \quad \$12/\text{hour} \\
 \hline
 = \quad \$510.00 \text{ per pay period}
 \end{array}$$

Since Jimmy Ray is paid semi-monthly, his anticipated monthly income is:

$$\begin{array}{r}
 \$510 \text{ per pay period} \\
 \times \quad 2 \text{ pay periods per month} \\
 \hline
 = \quad \$1020.00 \text{ per month}
 \end{array}$$

#7 – Rate/Unit/Frequency – New Job, Variable Schedule

On October 10, Riley, an on-going recipient, reports a new job. He will be working a variable schedule: 3 days one week, then 4 days the next week, then back to 3 days, etc. Riley will work 8 hours per shift, regardless of which week he works. He is paid \$8.50 per hour and pay is received once per month.

Riley's first month's pay, which will be received November 1, will be for 2 ½ weeks. To anticipate November pay, use Riley's actual schedule. The employer states that Riley will work 2 days the first week (the '1/2 week'), and will work 3 days the following week, and 4 days the last week of the pay period. Riley's November pay is anticipated as follows:

$$\begin{array}{r}
 2 \text{ days (1}^{\text{st}} \text{ week scheduled days)} \\
 + \quad 3 \text{ days (2}^{\text{nd}} \text{ week scheduled days)} \\
 + \quad 4 \text{ days (3}^{\text{rd}} \text{ week scheduled days)} \\
 \hline
 = \quad 9 \text{ days} \\
 \times \quad 8 \text{ hours per day (units)} \\
 \hline
 = \quad 72 \text{ hours (number of units)} \\
 \times \quad \$ 8.50 \text{ per hour (rate per unit)} \\
 \hline
 = \quad \$612.00 \text{ Anticipated November pay}
 \end{array}$$

Section: ELIGIBILITY & BENEFIT
DETERMINATION

Subject: Prospective Budgeting

For December, anticipation may be done as follows:

Since Riley works a varying schedule, creativity is required to anticipate his earnings. Since he works 3 shifts one week and 4 shifts the next week, he works an 'average' of 3.5 shifts per week... 'between' 3 and 4 shifts per week. To use the table, use the average 'between' the figures in columns indicated for working 3 and 4 days per week:

→ # days/week worked * →	1	2	3	4	5	6	7
↓ Average # of days per pay period (frequency) when pay is received:							
MONTHLY – Use only when paid once each month	4	9	13	17	22	26	# of days in specific month
SEMI-MONTHLY – Use only when paid twice each month on set dates within the month, such as the 1 st and 16 th , (but <u>not</u> if paid on set day of the week, such as paid every other Tuesday)	2	4.5	6.6	8.5	11	13	15
BI-WEEKLY – Use only when paid every other week on a set day of the week, such as when paid every other Friday	2	4	6	8	10	12	14
WEEKLY – Use only when paid every week on a set day of the week, such as when paid each Wednesday	1	2	3	4	5	6	7

The chart figures are 13 days per month if working three shifts per week and 17 days per month if working four shifts per week, so the 'average' between the two is 15 days per month (this is because he works 'between 3 and 4 days per week'). The 'math' is $13 + 17 = 30$
 $\div 2 = 15$ day per month.

$$\begin{array}{rcl}
 & 15 \text{ days per month} & \\
 \times & 8 \text{ hours per shift (units)} & \\
 \hline
 = & 120 \text{ hours per month (units per frequency)} & \\
 \times & \$ 8.50 \text{ per hour (rate per unit)} & \\
 \hline
 = & \$1020.00 \text{ per month} &
 \end{array}$$

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

#8 – Rate/Unit/Frequency – Increase in hours

Jacob is an on-going recipient. He is paid semi-monthly on the 7th and 21st of each month. Pay periods are the 1st-15th paid on the 21st and the 16th-end of month paid on the 7th. Jacob earns \$7.50 per hour.

At redetermination, Jacob supplies pay stubs as follows:

2/7 \$442.50 (59 hours)	3/21 \$472.50 (63 hours)
2/21 \$487.50 (65 hours)	4/7 \$510.00 (68 hours)
3/7 \$412.50 (55 hours)	4/21 \$461.25 (61.5 hours)

At the redetermination interview, Jacob reports hours increasing from 25-35 hrs to 30-40 hrs/week. A report of employment income form confirms this and states his schedule varies. The employer refuses to give further details. Jacob's schedule changes each week and is never made up more than a week in advance. Next week, he knows he will work 32 hours over a course of 5 days. Jacob's eligibility case manager asks whether this change in hours is due to a change in the number of days worked per pay period or an increase to the number of hours worked per day. In either case, the worker will need to determine how many shifts (days) were worked in each of the above pay periods.

If the change is in number of hours per shift, then we will add the additional hours (approximately 5 per week) to the average hours per shift. If the change is in the number of shifts per pay period, then the additional day per week would be added to the number of days worked in each of the representative pay periods above.

Jacob states his shifts will be one hour longer than in the past. He helps determine that he worked the following shifts in the representative time period:

2/7 10 shifts	3/21 11 shifts
2/21 11 shifts	4/7 12 shifts
3/7 9 shifts	4/21 10 shifts

The total for the six pay periods is 63 shifts, and a total of 371.5 hours. This represents approximately 10.5 shifts/pay period, and 5.89 hours/shift. If Jacob expects to work an additional hour per shift, then his income will be anticipated to be projected using rate/unit/frequency. Pay rate is \$7.50/hour. He is anticipated to work 6.89 hours/shifts (unit). He works 10.5 shifts/pay period (frequency). Thus, his anticipated earnings are \$7.50/hours (rate) X

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

6.89 (hours per shift) X 10.5 (shifts per pay period) = \$542.59 for each semi-monthly pay date. \$542.59 X 2 = \$1,085.18 is the prospectively budgeted gross monthly income.

#9 - Prorate Over Period Intended to Cover--- Self-Employment

Helen has a small business. Her books indicate that she does not receive income every month, but she states the income is intended to cover the entire year.

All of Helen's income from this business (minus allowable expenses) for 12-month period is added together and divided by 12 months to arrive at the countable monthly income.

Jan.	\$ 300.00	July	\$ 500.00
Feb.	\$ 0.00	Aug.	\$ 0.00
Mar.	\$ 350.00	Sept.	\$ 750.00
Apr.	\$ 550.00	Oct.	\$ 450.00
May	\$ 875.00	Nov.	\$ 950.00
June	\$ 550.00	Dec.	<u>\$1100.00</u>
Total:		\$6375.00	

$$\$6375 \div 12 = \$531.25/\text{month}$$

#10 - Prorate Over Period Intended to Cover----Other

Jake receives a quarterly payment from a trust set up by his grandfather. He does not expect any changes from previous payments. The average of the last four quarterly payments is \$600 per payment. \$600 is divided by 3 (a quarterly payment is intended to cover three months until the next quarterly payment), and income of \$200 per month is anticipated for Jake for each month. Jake is reminded to report changes in the amounts of future payments upon learning of the change.

COMBINATION CASE: SNAP, FMA & ABD MEDICAID

Esther has been working for the same employer for two years. She is an on-going recipient who is paid biweekly. At redetermination, she provides her last seven pay stubs (totaling \$1400.00) representing pay received in the last three months, and including her most recent pay date. Esther indicates that she works a fairly consistent number of hours each pay period. She does not anticipate a change in her hours or her pay rate.

Her income for FMA/TANF/SNAP income would be projected by averaging the same pay stubs and multiplying the average per pay

TANF 601-1	
Section: ELIGIBILITY & BENEFIT DETERMINATION	Subject: Prospective Budgeting

period by 2.15 (paid biweekly) ($\$1400 \div 7 = \200.00 per pay period X 2.15 = \$430.00), and would be coded 'OA' on EAIN in TEAMS

Her income for ABD Medicaid would be projected by averaging the same pay stubs and multiplying the average by the number of scheduled pay dates in the benefit month ($\$1400 \div 7 = \200.00 X 2 or 3 pay dates = \$400.00 or \$600.00), and would be coded 'OM' on EAIN in TEAMS. (ABD only - Esther's eligibility case manager would then determine which months in the eligibility period would include 3rd biweekly pay dates. System alerts would be set for the months before each of the months with extra checks in order to project the income for the 3rd pay dates for the 'OM' income (as well as alerts for the months of the 3rd pay dates in order to change the income back the following months).

Her income for TANF, SNAP and FMA would be projected differently, with the result entered on TEAMS EAIN screen as 'OF' for SNAP and "OA" for TANF and FMA.

nc/KQ/MAF

o O o